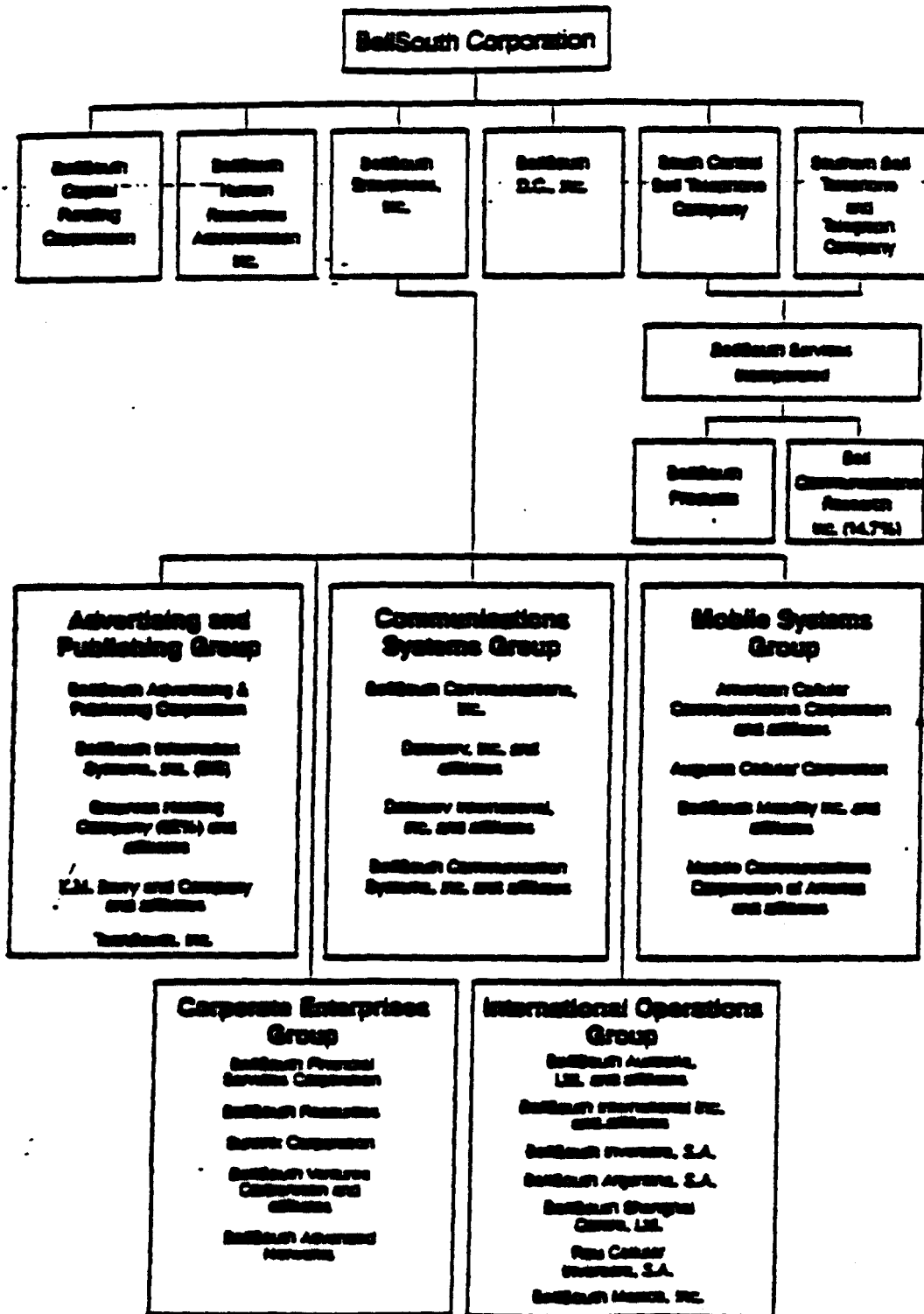
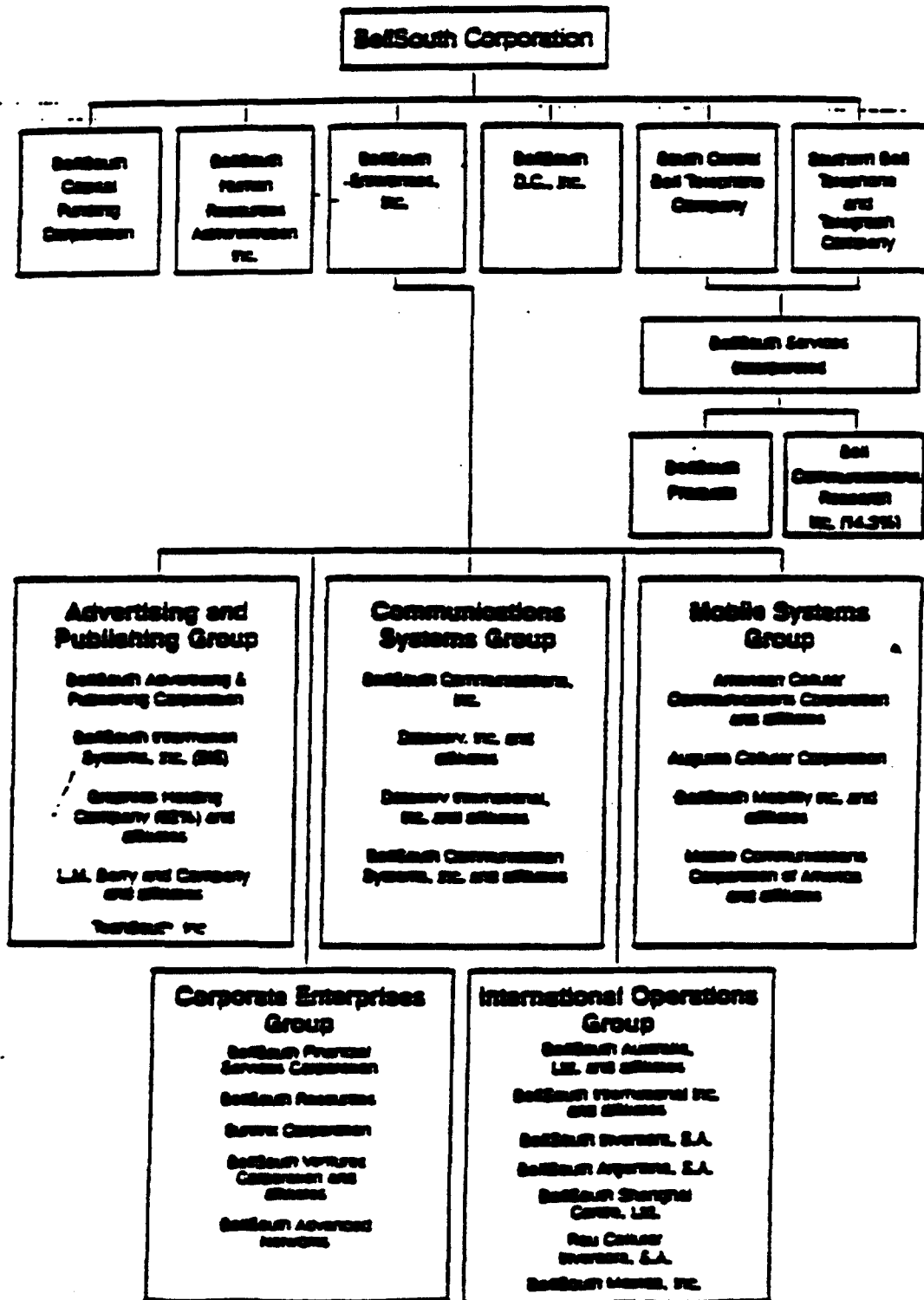


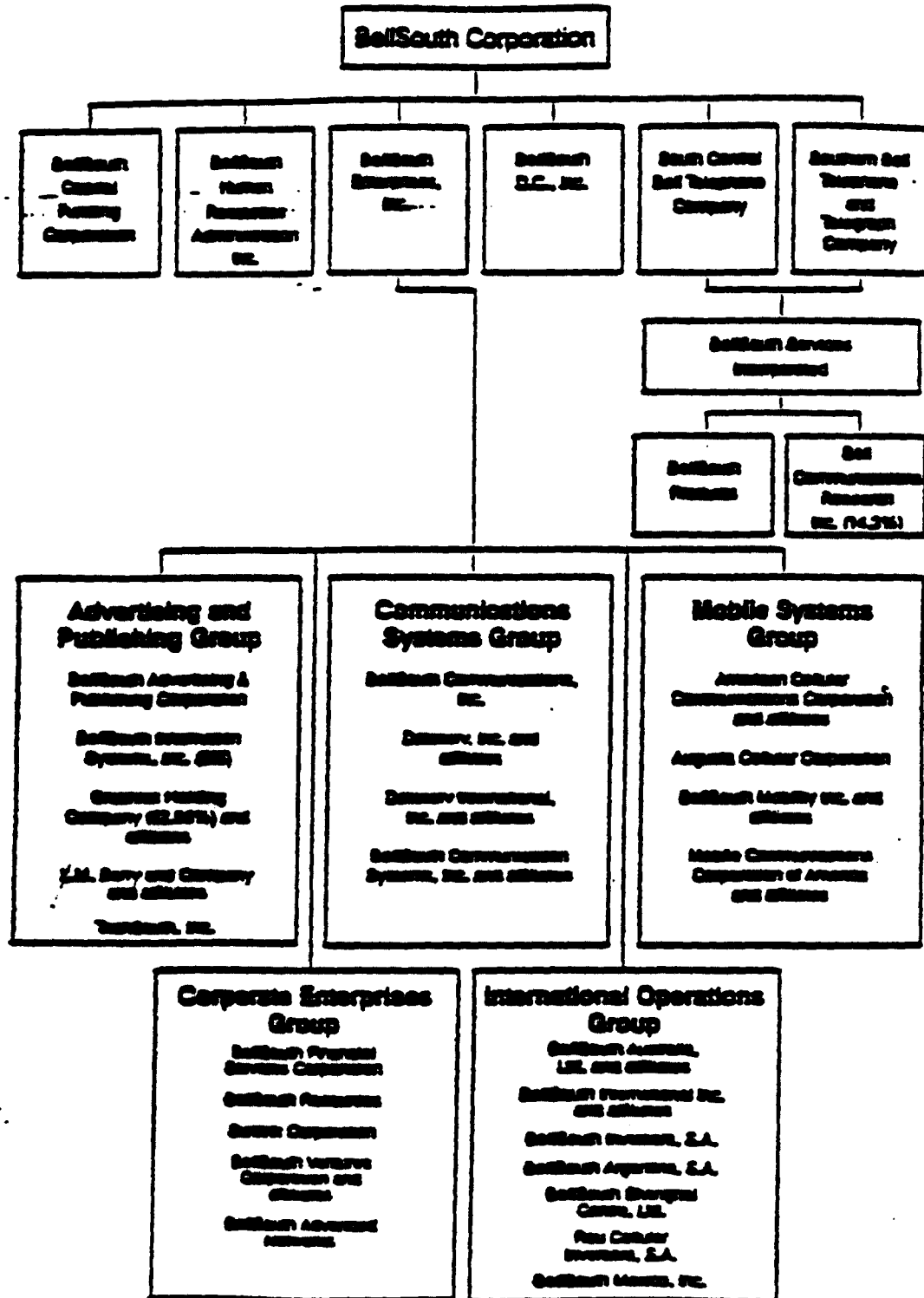
BellSouth Corporate Structure



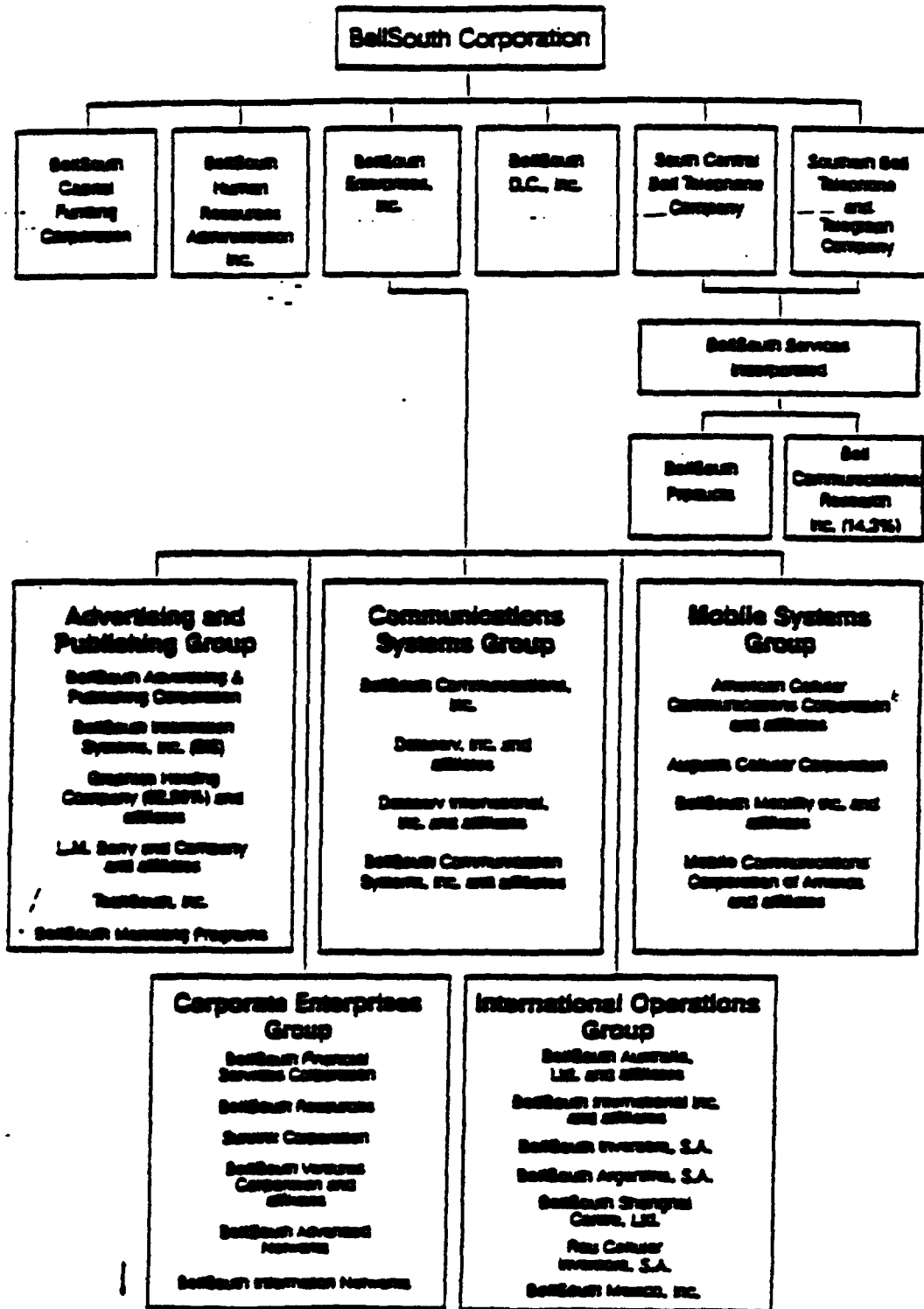
BellSouth Corporate Structure



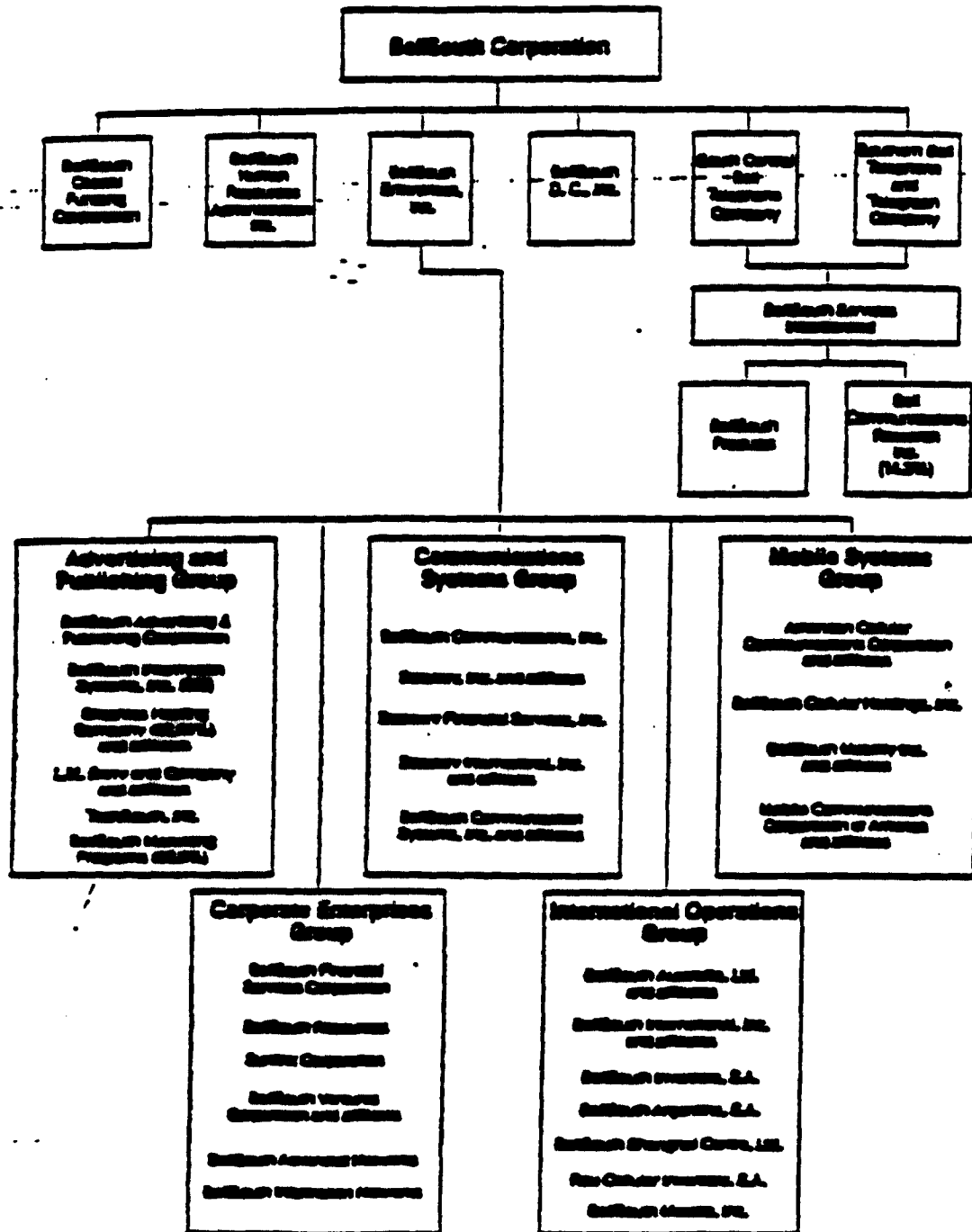
BellSouth Corporate Structure



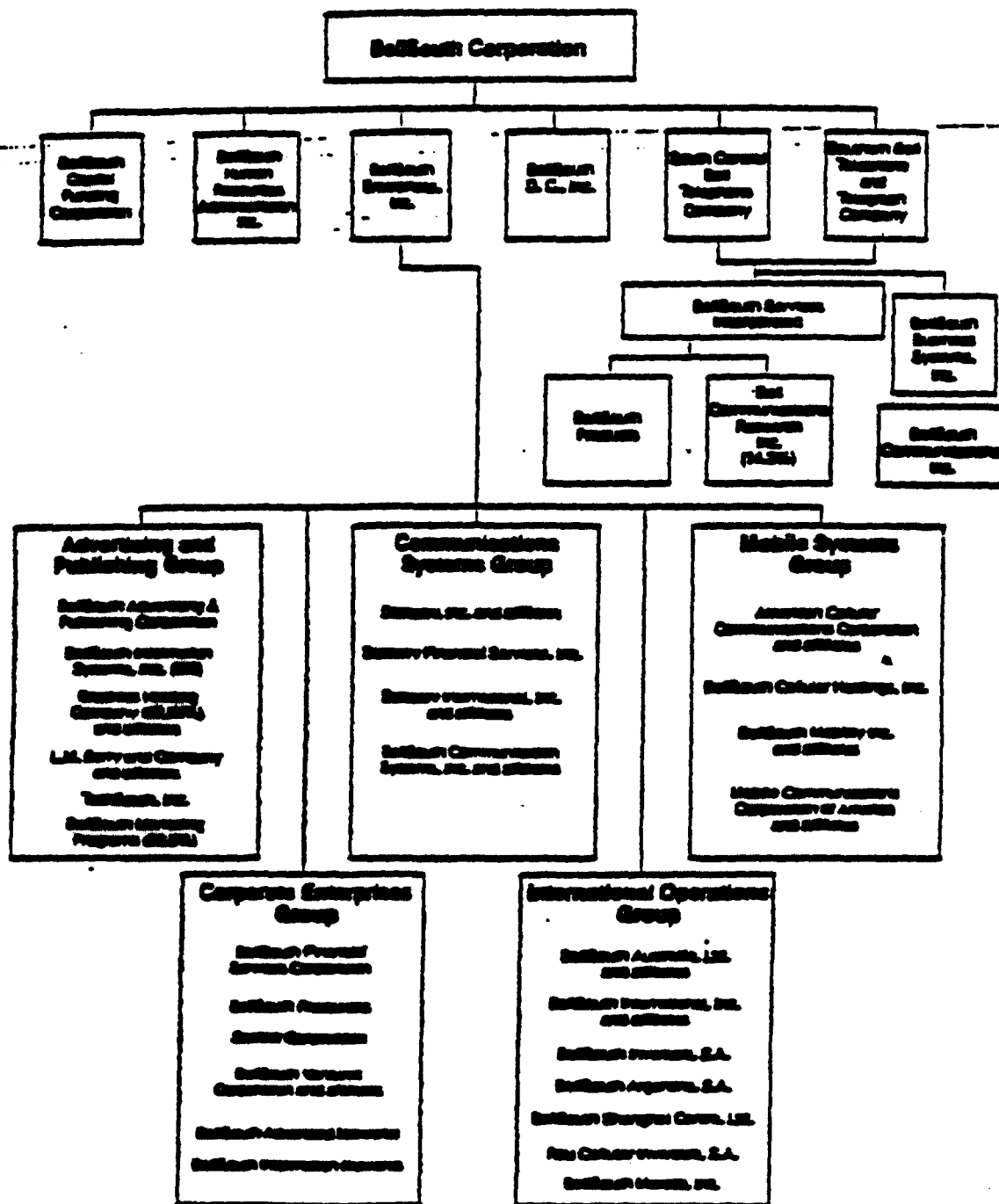
BellSouth Corporate Structure



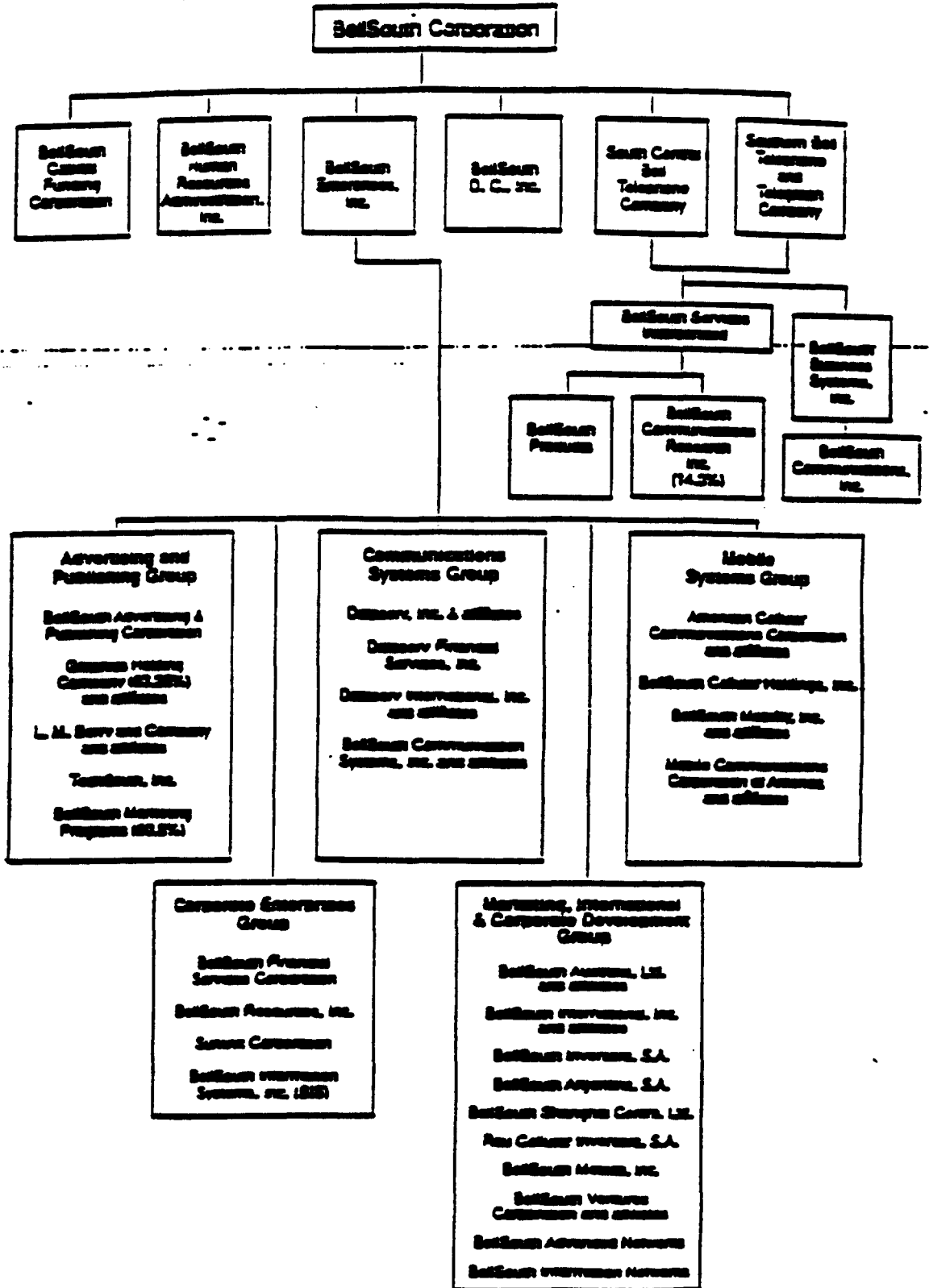
BellSouth Corporate Structure



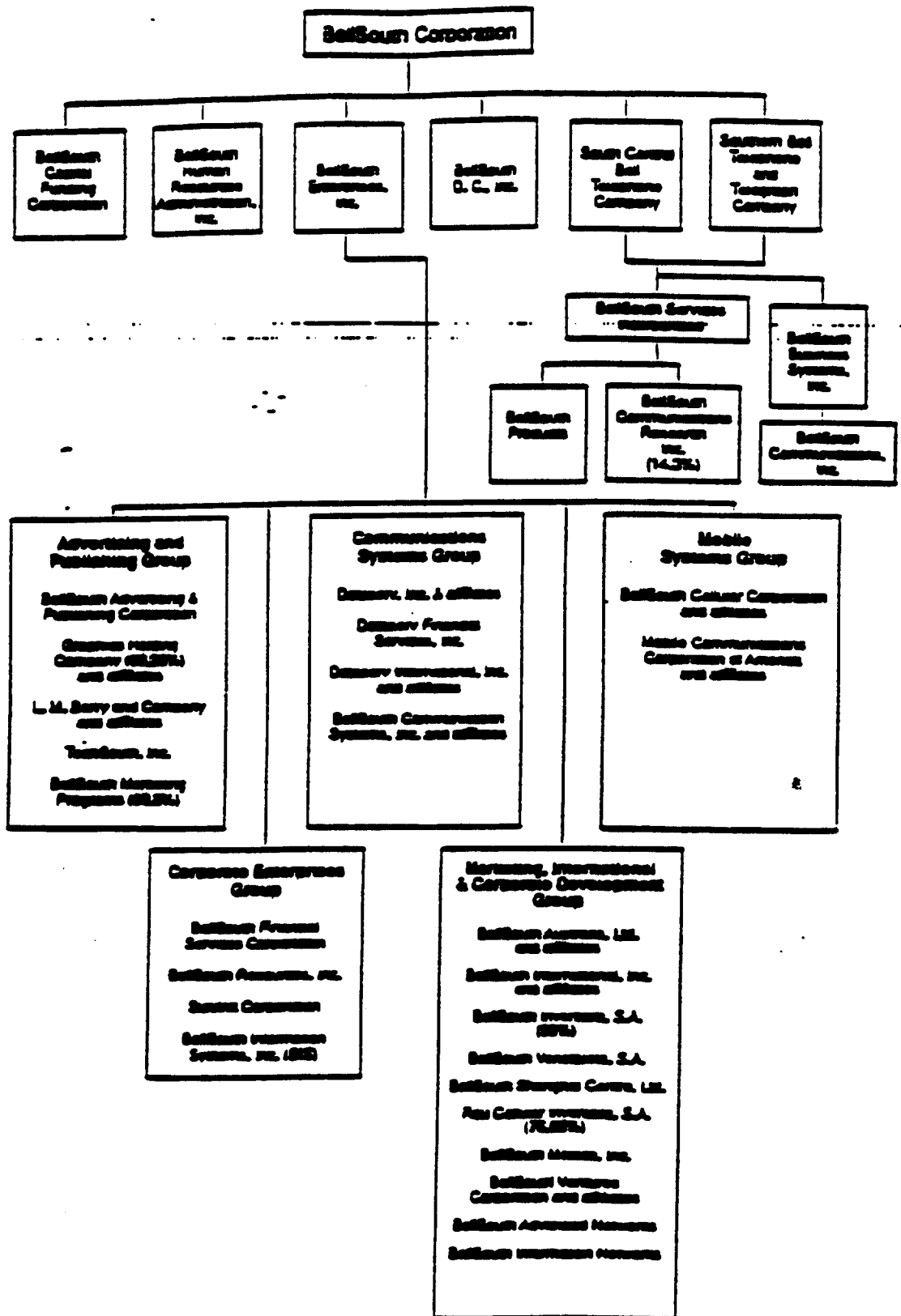
BellSouth Corporate Structure



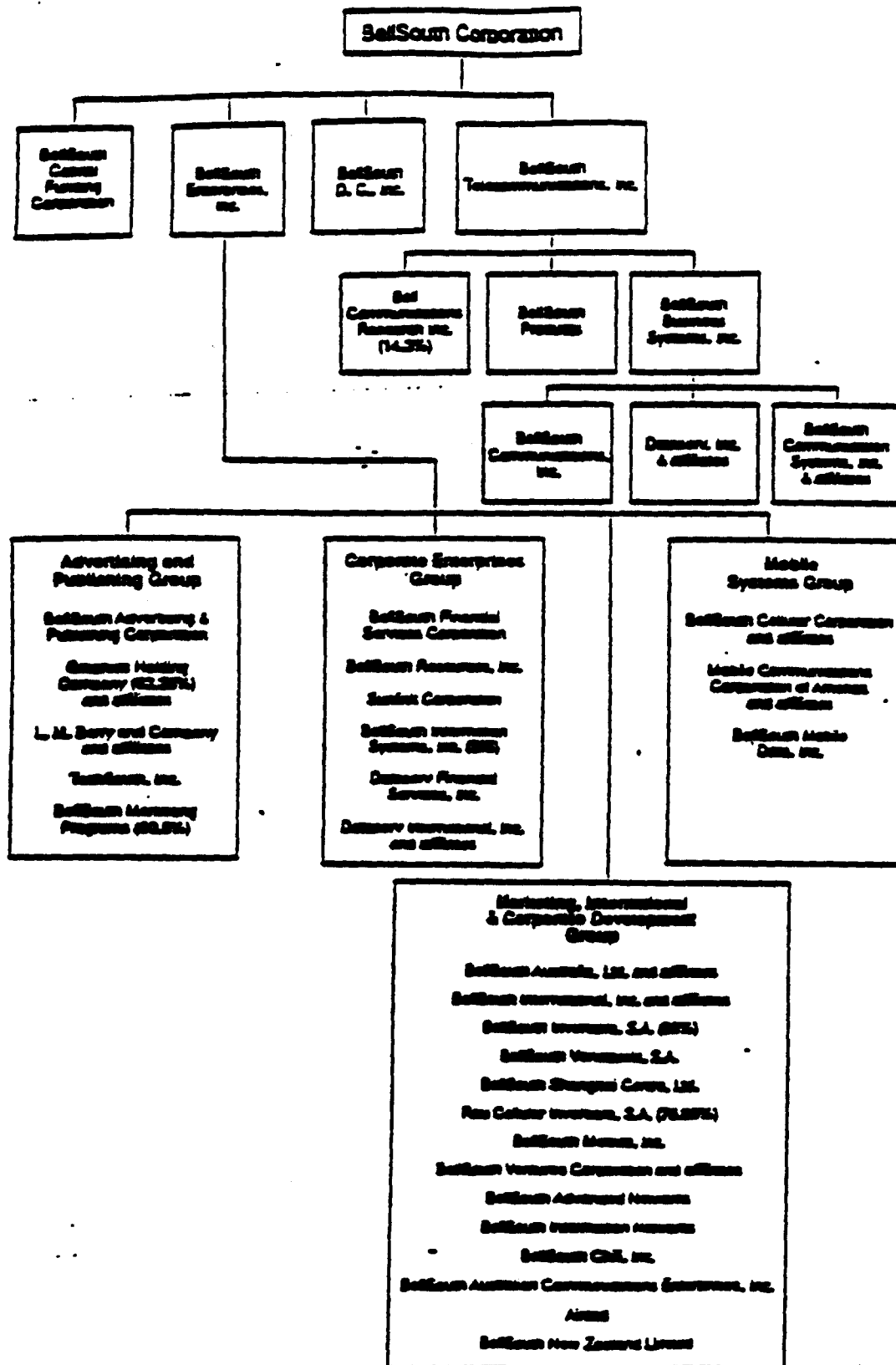
BellSouth Corporate Structure



BellSouth Corporate Structure



BellSouth Corporate Structure



CSS-... FORM NUMBER: NR2700
 CSS/PPS MODULE NAME: ADDITION
 CSS/PPS REPORT NAME: NAMED PRODUCT INCOME STATEMENT BY PRODUCT
 50 START-UP COSTS

BELLSCOM CORPORATION
 GEORGIA

REVISION: PERMANENT
 REPORT DATE AND TIME: 01/24/92 1600
 CURRENT PERIOD/YEAR OF BUSINESS: 12/1991

TOTAL PERIOD REVENUE 1-1-8 1-1-8 1-1-8 1-1-8
 COST 1-1-8 1-1-8 1-1-8 1-1-8
 NET OPERATING REVENUE 1-1-8 1-1-8 1-1-8 1-1-8
 NET INCOME 1-1-8 1-1-8 1-1-8 1-1-8

1	LOCAL SERVICE REVENUE	
2	NETWORK ACCESS REVENUE-INTERSTATE	
3	NETWORK ACCESS REVENUE-INTRASTATE	
4	LONG DISTANCE REVENUE	
5	MISCELLANEOUS REVENUE	
6	LESS - UNCOLLECTIBLE REVENUE	
7	TOTAL OPERATING REVENUES	
	- PERCENTAGE	
8	NETWORK SUPPORT EXPENSE	
9	GENERAL SUPPORT EXPENSE	
10	CENTRAL OFFICE SWITCHING EXPENSE	
11	OPERATOR SYSTEMS EXPENSE	
12	CENTRAL OFFICE TRANSMISSION EXPENSE	
13	INFORMATION ORIENTATION/TERM. EXPENSE	
14	CABLE AND WIRE FACILITIES EXPENSE	
15	OTHER PROPERTY & NETWORK OPNG EXPENSE	
16	CUSTOMER ASSISTANCE EXPENSE	
17	COST OF SERVICES	
	- PERCENTAGE	
18	DEPRECIATION AND AMORTIZATION EXPENSE	
19	MARKETING EXPENSE	
20	CORPORATE EXPENSE	
21	SELLING, GENERAL & ADMINISTRATIVE	
	- PERCENTAGE	
22	TAXES OTHER THAN INCOME	
23	OTHER EXPENSES	
24	TOTAL OPERATING EXPENSES	
	- PERCENTAGE	
25	NET OPERATING REVENUE	
	- PERCENTAGE	
26	NON-OPERATING INCOME AND EXPENSES (NET)	
27	ALLOWANCE FOR FUNDS USED DURING CONST.	
28	INC BEFORE INTEREST AND INCOME TAXES	
	- PERCENTAGE	
29	INTEREST AND RELATED ITEMS	
30	INCOME BEFORE INCOME TAXES	
	- PERCENTAGE	
31	FEDERAL INCOME TAXES	
32	STATE AND LOCAL INCOME TAXES	
33	TOTAL INCOME TAXES	
	- PERCENTAGE	
34	EXTRAORDINARY ITEMS (INCOME) EXPENSE	
35	INCOME TAXES ON EXTRAORDINARY ITEMS	
36	NET INCOME	
	- PERCENTAGE	

CIS/PPS FORM NUMBER: W2700
CIS/PPS MODULE NAME: ADOINILM
CIS/PPS REPORT NAME: MONITOR PRODUCT INCOME STATEMENT BY PRODUCT
56 START-UP COSTS

DELSQUIN CORPORATION
GEORGIA

DEFINITION: PERMANENT
REPORT DATE AND TIME: 01/24/92 1640
CURRENT MONTH/YEAR OF BUSINESS: 12/1991

TOTAL PROJECT GROUP: 100 START-UP COST: 578 START-UP COST: 578
CUM IN AVG 1-1-0 AVG CUM IN AVG 1-1-0 AVG CUM IN AVG 1-1-0 AVG CUM IN AVG 1-1-0 AVG

37 TOTAL TELEPHONE PLANT IN SERVICE
38 PROPERTY HELD FOR FUTURE USE
39 TELECOMM. PLANT UNDER CONSTRUCTION
40 TELECOMMUNICATIONS PLANT ADJS.
41 NONOPERATING PLANT
42 GOODWILL
43 INVENTORIES
44 LESS
45 DEPRECIATION & AMORTIZATION
46 DEFERRED INCOME TAXES
47 NET INVESTMENT
PERCENTAGE

47 ANNUALIZED RATE OF RETURN

Appendix D - 2

48 LAND
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51 FURN., OFFICE EQUIP., GEN'L. PURP. COMPUT.
52 CENTRAL OFFICE ASSETS
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55 LOOP
56 INTEROFFICE
57 INFORMATION ORIG./TERMINATION
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59 LOOP
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62 INTANGIBLES

63 100 TELEPHONE PLANT IN SERVICE (LINE 37)

TRANSFERRED SERVICES PROVIDED TO NONREGULATED ACTIVITIES:
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65 LONG DISTANCE REVENUE (LINE 4)
66 MISCELLANEOUS REVENUE (LINE 5)
67 CORPORATE COMM EXPENSE
68 CORPORATE COMM INVESTMENT

AFFILIATE TRANSACTION AUDIT OF SB OF GEORGIA

LEVERAGE STOCK OWNERSHIP PLAN (ESOP)

The tax benefits associated with the dividends for stock held by the LESOP Trust are being retained at BellSouth Corporation, while Georgia's telephone customers incur the following increased costs charged as benefit expense:

- (1) Interest cost for the ESOP loan;
- (2) Additional matching fund requirements for savings plans' participants;
- (3) Risk associated with change in stock value for shares held by the Trust.

Southern Bell of Georgia's telephone customers increased benefit cost, associated with having the Leveraged ESOP plan, is estimated to be \$24.4 million (\$18.3 million intrastate) for the 1990 through 1994 period. Georgia's portion of the tax benefits, being retained at the BellSouth Corporate level for the same period, is estimated to be \$8.1 million (\$6.1 million intrastate).

ANALYSIS OF LESOP DATA RESPONSES

(JWC-14) "The tax benefits associated with the dividends on BellSouth Corporation stock held by the Trust and used to service debt is retained by BellSouth Corporation."

BELLSOUTH CORPORATION (\$ M)

	<u>DIVIDENDS ON STOCK IN TRUST (114)</u>	<u>TAX REDUCTION ON DIVIDENDS PAID TO TRUST (JWC-6)</u>	<u>INTEREST ON ESOP NOTES (JWC-4, 62)</u>
1990	\$ 23.1	\$ 7.9	\$ 60.5
1991	\$ 43.5	\$ 14.8	\$ 74.8
1992	\$ 43.7	\$ 14.8	\$ 72.4
1993		\$ 14.8	\$ 69.5
1994		<u>\$ 14.8</u> \$ 67.3	<u>\$ 66.2</u> \$343.4

GEORGIA ALLOCATION FACTOR
(CALCULATED PAGE 2)

.120839743

GEORGIA'S PORTION OF TAX SAV.	=	\$ 8.1 MILLION
INTRASTATE FACTOR	=	<u>75%</u>
<u>INTRASTATE PORTION OF TAX SAVINGS</u>	=	\$ 6.1 MILLION

DEVELOPMENT OF GEORGIA ALLOCATION FACTOR:
(JWC-30 DATA):

		<u>GEORGIA</u>
1.	SHARES ALLOCATED - GEORGIA	\$3,203,464
2.	SHARES ALLOCATED -SB HQ.	788,708
3.	GA. PRORATE FACT FROM SB	<u>.2899</u>
4.	SB ALLOCATION TO GA.	228,646
5.	TOTAL ALLOCATED TO GA.	<u>3,432,110</u>
6.	TOTAL BELL SOUTH CORP.	<u>28,402,166</u>
7.	ALLOCATION FACTOR TO GEORGIA (7=5/6)	0.120839743

ESTIMATED INCREASED BENEFIT COST ASSIGNED TO GEORGIA DUE TO
LEVERAGED EMPLOYEE STOCK OWNERSHIP PLAN (LESOP):

	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>TOTAL</u>
	<u>(\$M)</u>	<u>(\$M)</u>	<u>(\$M)</u>	<u>90-92</u>
				<u>(\$M)</u>
8. INTEREST EXPENSE (JWC-4)	60.5	74.8	72.4	207.7
9. DIVIDENDS TO TRUST (114)	23.1	43.5	43.7	110.3
10. STOCK LOSS (SHARES ALL.) (JWC-64)	<u>.4</u>	<u>2.9</u>	<u>4.0</u>	<u>7.3</u>
11. TOTAL BS INCREASED COST (11=8-9+10)	37.8	34.2	32.7	104.7
12. EST. ALLOCATION TO GA.	<u>.1208</u>	<u>.1208</u>	<u>.1208</u>	<u>.1208</u>
13. EST. GA INCREASED BENEFIT EXPENSE ALLOCATION	4.5	4.1	4.0	12.6
14. INCREASED MATCHING EXPENSE TO GA FOR ESOP (JWC-63)	<u>1.2</u>	<u>1.3</u>	<u>1.3</u>	<u>3.8</u>
15. INCREASED BENEFIT COST TO GA FOR ESPO (15=13+14)	5.7	5.4	5.3	15.4
16. ESTIMATED 93 & 94 INCREASED GA COSTS (BASED ON 90-92 DATA, INCREASES IN STOCK PRICE & DECREASING LOAN INTEREST (JWC-4))				<u>9.0</u>
17. INCREASE IN 90-94 EXPENSE DUE TO LESOP (17=15+16) =				\$24.4M
18. INTRASTATE FACTOR				= <u>75%</u>
19. INCREASED GEORGIA INTRASTATE EXPENSE 90-94 (19=17*18) =				\$18.3M

ADDITIONAL DATA FROM RESPONSES:

- A. ESOP loan amount (JWC-1) \$850,000,000
- B. Start date July 1, 1990; End July 1, 2003 (JWC-2)
- C. Loan source (JWC-3) Morgan Stanley
- D. All shares of stock were purchased on the open market. (JWC-7)
- E. Number of shares purchased and average price. (JWC-8&32)

	<u>NUMBER OF SHARES PURCHASED</u>	<u>AVERAGE PURCHASE PRICE</u>	<u>ESTIMATED PURCHASE COST TO TRUST</u>
MANAGEMENT SAV. PLAN	10,356,020	\$53.11	\$550,000,000
SAV. SECURITY PLAN	<u>5,533,342</u>	\$54.22	<u>\$300,000,000</u>
	15,889,362		\$850,000,000

- F. The administration cost associated with the Leveraged ESOP is not separated from other administrative cost associated with the existing employee savings plans, therefore none of the ESOP's administration cost is included in the Audit's estimated additional Georgia intrastate expense due to the LESOP. (JWC-11)
- G. The estimated tax savings associated with the dividends identified in JWC-6 assumes a tax rate of 33.6 percent for 1993 and 1994. (JWC-29) The current federal corporate tax rate is 35 percent, therefore the tax savings will be slightly higher than the amount calculated.

WELLSOUTH
COST APPORTIONMENT TABLES
TABLE SEVEN

USOA PART 32 ACCT.	COST POOLS	BASIS FOR APPORTIONMENT TO COST POOLS	BASIS FOR APPORTIONMENT TO REGULATED/NONREGULATED	COST DEFINITION	COMMENTS
6211 Analog Electronic Expense (Con't)	Common Use Equipment - Repair and Maintenance	Ratio of common use analog switching invest- ment to total analog switching investment	Ratio of basic calls and of enhanced calls to total calls	Indirectly Attributable	Ratio for apportionment to regulated/nonregulated are based on actual assignments of investment in dedicated use equipment to regulated and non- regulated activities.
	Dedicated Use Equipment - Repair and Maintenance	Ratio of dedicated use analog switching invest- ment to total analog switching investment	Ratio of dedicated regu- lated and of dedicated nonregulated analog switching investment to total dedicated analog switching investment	Indirectly Attributable	
6212 Digital Electronic Expense	Direct Regulated/Non- regulated	Identified from field reporting or function codes	Directly assigned to regulated/nonregulated	Directly Assignable	This cost pool includes EA/MM.
	Packet Switching Common - Repair Maintenance	Ratio of common packet switching investment to total digital switch investment	Ratio of regulated and of nonregulated packets switched to total packets switched	Indirectly Attributable	Ratio for apportionment to regulated/nonregulated are based on actual assignments of investment in dedicated use equipment to regulated and non- regulated activities.
	Other Common Use Equipment - Repair and Maintenance	Ratio of common digital switching investment, excluding packet switch- ing to total digital switch investment	Ratio of basic calls and of enhanced calls to total calls	Indirectly Attributable	
	Dedicated Use Equipment - Repair and Maintenance	Ratio of dedicated use digital switch investment to total digital switch investment	Ratio of dedicated regu- lated and of dedicated nonregulated investment to total, dedicated digital switching investment	Indirectly Attributable	

Table 7-4

BELLSOUTH SERVICES**FINANCIAL SYSTEMS DOCUMENTATION**

APPLICATION	AB01:	CSS/PFS USER GUIDE
PART	9:	CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12:	CENTRAL OFFICE EQUIPMENT EXPENSES

INDEX

1. GENERAL
2. ACCOUNT 6211 - ANALOG ELECTRONIC SWITCHING EXPENSE
3. ACCOUNT 6212 - DIGITAL ELECTRONIC SWITCHING EXPENSE
4. ACCOUNT 6215 - ELECTROMECHANICAL SWITCHING EXPENSE
5. ACCOUNT 6220 - OPERATOR SYSTEMS EXPENSE
6. ACCOUNT 6231 - RADIO SYSTEMS EXPENSE
7. ACCOUNT 6232 - CIRCUIT EQUIPMENT EXPENSE

GENERAL

- 1.01 The following accounts are the Central Office Equipment Expense accounts.
- 1.02 Dollars used in the processing of these accounts are extracted from FP through the CISSP interface file.
The amounts associated with investment leased to others is retrieved from Table TRANAMT and assigned to CP99 as regulated. The CISSP balance is reduced by the amount of the CP99 assignment prior to other cost pool assignments.
- 1.03 Direct assignments for these accounts are made from Table TACCOUNT.

ACCOUNT 6211 - ANALOG ELECTRONIC SWITCHING EXPENSE

- 2.01 Account 6211 contains the expenses associated with analog electronic switching systems. It contains the cost of routine inspection and maintenance of analog electronic central office equipment, repairs of analog electronic central office equipment in the course of clearing trouble, and other maintenance of such equipment not chargeable to other accounts.
- 2.02 In addition to those listed in the General paragraph, the following inputs are used:

MTAS
CPAM
Table TDACAT
Table TUSOCSC

9.12.1

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BELLSOUTH SERVICES

FINANCIAL SYSTEMS DOCUMENTATION

APPLICATION	AB01: CSS/PPS USER GUIDE
PART	9: CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12: CENTRAL OFFICE EQUIPMENT EXPENSES

2.03 Account 6211 is divided into three cost pools as described in the following paragraphs.

2.03.1 CP01, Direct Regulated/Nonregulated, is not used.

2.03.2 CP02, Dedicated Use Equipment, is identified based on a ratio of dedicated analog switching investment to total analog switching investment. This ratio is determined by dividing the CPAM amount in Account 2211, CP04 SP02 through SP06, by the CPAM amount in Account 2211, CP01, CP02, and CP04, SP02 through SP06. CP02 contains the expense associated with analog electronic switching equipment which is identified as dedicated use for specific regulated/nonregulated activity.

1. SP01, Dedicated Repair Trouble Tickets Expense, is identified based on the total trouble ticket associated expense amount. This amount is determined by accumulating the trouble ticket report hours from MTAS and dividing the total by SRC 6211.1000 (77R) labor and engineering hours from CISSP to develop a trouble ticket ratio. A ratio of 1.0 will be used if the computed ratio is greater than 1.0. The CISSP amount to 77R is multiplied by the trouble ticket ratio to determine the trouble ticket associated amount. This amount is multiplied by the dedicated use ratio and the result is assigned to SP01.

2. SP02, Dedicated Use Maintenance Software Expense, is identified based on the maintenance software expense amount, which is determined by accumulating the CISSP amounts to SRC 6211.1000 (77M) with a JFCI of 4390. The maintenance software expense amount is multiplied by the dedicated use ratio and the result is assigned to SP02.

3. SP03, Dedicated Use Maintenance Service Order Expense, is identified based on the maintenance service order expense amount. This amount is determined by accumulating the CISSP amounts to SRC 6211.1000 (77M) with JFCI not equal to 4390 and an authorization that does not match one of the following formats:

EA####&	EA####Y&
&J####&	JJ####&
&J00####	JJ00####
&KC####	KKC####
&H00#### (SET only)	&RECORDS

9.12.2

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APPLICATION	AB01:	CSS/FPS USER GUIDE
PART	9:	CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12:	CENTRAL OFFICE EQUIPMENT EXPENSES

&##### (SCB only)

where & = space
 # = numeric
 @ = alphanumeric
 A = alphabetic

This amount is multiplied by the dedicated use ratio and the result is assigned to SP03.

4. SP04, Dedicated Use Repair and Maintenance Expense, is identified based on the 77M and 77R amounts that have not been assigned. These amounts are multiplied by the dedicated use ratio and the result is assigned to SP04.

2.03.3 CP03, Common Use Equipment - Repair and Maintenance, is identified based on the amounts assigned to CP02. It contains the expense associated with analog electronic switching equipment which is identified as joint use for both regulated and nonregulated activity.

1. SP01, Common Use Repair Trouble Ticket Expense, is identified based on the total trouble ticket associated dollars. The amount assigned to CP02 SP01 is subtracted from the total trouble ticket associated amount to determine the SP01 amount.
2. SP02, Common Use Maintenance Software Expense, is identified based on the maintenance software expense amount. The amount assigned to CP02 SP02 is subtracted from the maintenance software expense to determine the SP02 amount.
3. SP03, Common Maintenance Service Order Expense, is identified based on the maintenance service order expense amount. The amount assigned to CP02 SP03 is subtracted from the maintenance service order expense amount to determine the SP03 amount.
4. SP04, Common Use Repair and Maintenance Expense, contains the balance of the account.

2.04 Each cost pool of Account 6211 is assigned to regulated/nonregulated as described in the following paragraphs.

2.04.1 CP01 is not used.

2.04.2 Subpools of CP02 are assigned as described in the following paragraphs.

9.12.3

APPLICATION	AB01:	CSS/PPS USER GUIDE
PART	9:	CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12:	CENTRAL OFFICE EQUIPMENT EXPENSES

1. SP01 is assigned based on a ratio of MTAS nonregulated USOC quantity to total USOC quantity. The ratio is determined by extracting records from MTAS and comparing them against Table TUSOCSC to determine the nonregulated USOCs. The ratio is applied to the SP01 amount to allocate the nonregulated amount.
 2. SP02 is assigned to regulated.
 3. SP03 is assigned to regulated.
 4. SP04 is assigned based on ratios of dedicated VMS and dedicated PTVM nonregulated investment to total dedicated investment. The dedicated VMS and PTVM amounts are obtained from SP04. The total dedicated investment equals the amount in Account 2211, CP04 SP02 through SP06. The dedicated VMS ratio is multiplied by the SP04 amount and the result is assigned to Product 107. The dedicated Public Coin ratio is multiplied by the SP04 amount and the result is assigned to Product 161. The balance of the subpool is assigned to regulated.
- 2.04.3 CP03 is assigned based on a Table TDACAT ratio representing nonregulated call volume to total call volume. The ratio is applied to the amount in the subpool and the result is assigned to Product 160. The balance of the cost pool is assigned to regulated.

ACCOUNT 6212 - DIGITAL ELECTRONIC SWITCHING EXPENSE

- 3.01 Account 6212 contains the cost of routine inspection and maintenance of digital electronic central office equipment and repairs of central office equipment in the course of clearing trouble.
- 3.02 In addition to those listed in the General paragraph, the following inputs are used:
- MTAS
 - CPAM
 - Table TUSOCSC
 - Table TDACAT
- 3.03 Account 6212 is divided into five cost pools as described in the following paragraphs.
- 3.03.1 CP01, Direct Regulated/Nonregulated, is not used.

APPLICATION	AB01:	CSS/FPS USER GUIDE
PART	9:	CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12:	CENTRAL OFFICE EQUIPMENT EXPENSES

3.03.2 CP02, Dedicated Use Equipment, is identified based on a ratio of dedicated switching investment to total digital switching investment. This ratio is determined by dividing the CPAM amount assigned to Account 2212, CP04 SP02 through SP11, by the CPAM amount assigned to Account 2212. CP02 contains the expense associated with digital electronic switching equipment which is identified as dedicated use for specific regulated and nonregulated activity.

1. SP01, Dedicated Repair Trouble Tickets Expense, is identified based on a trouble ticket report hours ratio. The ratio is determined by summing the trouble ticket report hours from MTAS, and dividing the amount by the total labor and engineering hours from CISSP in SRC 6212.1000 (377R). A ratio of 1.0 will be used if the computed ratio is greater than 1.0. The ratio is multiplied by the 377R amount to determine total trouble ticket associated dollars. The trouble ticket dollars are multiplied by the dedicated use ratio to determine the SP01 amount.
2. SP02, Dedicated Use Maintenance Software Expense, is identified based on SRC 6212.1000 (377M) with JFC Indicator of 4390. The result is the total maintenance software expense amount and is multiplied by the dedicated use ratio to determine the SP02 amount.
3. SP03, Dedicated Use Maintenance Service Order Expense, is identified based on the dedicated use ratio. All amounts to 377M not assigned to SP02 are accumulated if the authorization does not meet the following criteria:

EA####&	EA####Y&
&J#####	JJ#####
&J#####	JJ#####
&K#####	KK#####
&H##### (SBT only)	&RECORDS
&##### (SCB only)	

where & = space
 # = numeric
 @ = alphanumeric
 A = alphabetic

This amount is the maintenance service order expense amount. The dedicated use ratio is

9.12.5

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BELLSOUTH SERVICES

FINANCIAL SYSTEMS DOCUMENTATION

APPLICATION	AB01: CSS/PPS USER GUIDE
PART	9: CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12: CENTRAL OFFICE EQUIPMENT EXPENSES

applied to this amount to determine the SP03 amount.

4. SP04, Dedicated Use Repair and Maintenance Expense, is identified based on the dedicated use ratio. The 377M and 377R unassigned amount is the repair and maintenance expense. This amount is multiplied by the dedicated use ratio to determine the SP04 amount.

3.03.3

CP03, Packet Switching Common - Repair and Maintenance, is identified based on a ratio of packet switch investment to total digital switching investment. The amount assigned to Account 2212, CP03, is divided by the total investment in Account 2212 to develop the ratio. It contains the expense associated with digital electronic switching equipment which is identified as processor elements associated with asynchronous packet switching.

1. SP01, Common Use Packet Switching Trouble Ticket Repair Expense, is identified based on the total trouble ticket associated amount. The packet switch ratio is multiplied by the total trouble ticket dollars to determine the SP01 amount.
2. SP02, Common Use Packet Switching Maintenance Software Expense, is identified based on the maintenance software expense. The maintenance software expense is multiplied by the packet switch ratio to determine the SP02 amount.
3. SP03, Common Packet Switching Maintenance Service Order Expense, is identified based on the maintenance service order expense. The maintenance service order expense is multiplied by the packet switch ratio to determine the SP03 amount.

4. SP04, Packet Switching Common Repair and Maintenance Expense, is identified based on the repair and maintenance expense. The repair and maintenance expense is multiplied by the packet switch ratio to determine the SP04 amount.

3.03.4

CP04, Other Common Use Equipment - Repair and Maintenance, is identified based on the amounts assigned to CP02, CP03, and CP05. It contains the expense associated with digital electronic switching equipment which is identified as common use for both regulated and nonregulated activities.

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9.12.6

APPLICATION	AB01: CSS/PPS USER GUIDE
PART	9: CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12: CENTRAL OFFICE EQUIPMENT EXPENSES

1. SP01, Common Use Other Trouble Ticket Repair Expense, is identified based on the total trouble ticket associated dollars. The amount assigned to SP01 of CP02, CP03, and CP05 is subtracted from the total trouble ticket associated amount to determine the SP01 amount.
2. SP02, Common Use Other Maintenance Software Expense, is identified based on the maintenance software expense. The amount assigned to SP02 of CP02, CP03, and CP05 is subtracted from the total maintenance software expense amount to determine the SP02 amount.
3. SP03, Common Use Other Maintenance Service Order Expense, is identified based on the maintenance service order expense. The amount assigned to SP03 of CP02, CP03, and CP05 is subtracted from the maintenance service order expense amount to determine the SP03 amount.
4. SP04, Common Use Other Repair and Maintenance Expense, contains the balance of the account.

3.03.5 CP05, VMS Common Use Maintenance Software Expense, is identified based on a VMS common ratio. The amount assigned to Account 2212, CP06 is divided by the total investment in Account 2212 to develop the ratio. This subpool contains the expense associated with maintaining the Information Storage, Forward, and Retrieval investment.

1. SP01, VMS Common Trouble Ticket Repair Expense, is identified based on the total trouble ticket associated amount. The VMS common ratio is multiplied by the total trouble ticket dollars to determine the SP01 amount.
2. SP02, VMS Common Use Maintenance Software Expense, is identified based on the maintenance software expense. The maintenance software expense is multiplied by the VMS common ratio to determine the SP02 amount.
3. SP03, VMS Common Use Maintenance Service Order Expense, is identified based on the maintenance service order expense. The maintenance service order expense is multiplied by the VMS common ratio to determine the SP03 amount.

9.12.7

OCT 1 1991

APPLICATION	AB01: CSS/PPS USER GUIDE
PART	9: CSS INVESTMENT AND EXPENSE APPORTIONMENT
SECTION	12: CENTRAL OFFICE EQUIPMENT EXPENSES

4. SP04, VMS Common Repair and Maintenance Expense, is identified based on the repair and maintenance expense. The repair and maintenance expense is multiplied by the VMS common ratio to determine the SP04 amount.
- 3.04 Each cost pool of Account 6212 is assigned to regulated/nonregulated as described in the following paragraphs.
- 3.04.1 CP01 is not used.
- 3.04.2 Subpools of CP02 are assigned as described in the following paragraphs.
1. SP01 is assigned based on a ratio of nonregulated USOC quantity to total USOC quantity. The ratio is determined by extracting records from MTAS and comparing them against Table TUSOCSC to determine the nonregulated USOCs. The amount assigned to SP01 is multiplied by the ratio and the result is assigned to nonregulated. The balance of the subpool is assigned to regulated.
 2. SP02 is assigned to regulated.
 3. SP03 is assigned to regulated.
 4. SP04 is assigned based on ratios of dedicated CSL, VMS, PTVM, and TUG nonregulated investment to total dedicated investment. The VMS amount is obtained from Account 2212, CP04 SP06, the PTVM amount from SP07, the TUG amount from SP08, and the CSL amount from SP11. The total dedicated investment equals the amount in Account 2212, CP04 SP02 through SP11. The CPAM amount in Account 6212, CP02 SP04, is multiplied by each of these ratios and the result assigned to Products 168 (CSL), 107 (VMS), 161 (PTVM), and 108 (TUG). The balance of the subpool is assigned to regulated.
- 3.04.3 CP03 is assigned based on a ratio of the number of enhanced packets switched to total packets switched of all asynchronous ports from Table TDACAT. The ratio is applied to the CP03 amount and the result assigned to Product 102. The balance of the subpool is assigned to regulated.
- 3.04.4 CP04 SP02 and SP04 are assigned based on a ratio of nonregulated call volume to total call volume from Table TDACAT. The ratio is applied to SP02 and SP04

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amounts and the result assigned to Product 150. The balance of the cost pool is assigned to regulated.

- 3.04.5 CP05 is assigned based on a ratio of the amount of nonregulated connect time to total connect time from Table TDACAT. The ratio is applied to the CP05 amount and the result assigned to Product 107. The balance of the cost pool is assigned to regulated.

ACCOUNT 6215 - ELECTROMECHANICAL SWITCHING EXPENSE

- 4.01 Account 6215 contains the cost associated with step-by-step central office equipment and crossbar switching systems. It contains the cost of routine inspection and maintenance of this equipment and repairs made in the course of clearing trouble. It also contains the expenses associated with other electromechanical switching systems not properly chargeable as step-by-step or crossbar.
- 4.02 No additional inputs are used in this account.
- 4.03 CP01, Electromechanical Expense, equals the entire account.
- 4.04 The entire account is assigned to regulated.

ACCOUNT 6220 - OPERATOR SYSTEMS EXPENSE

- 5.01 Account 6220 contains the expenses of routine inspection and maintenance of operator systems equipment, maintenance of operator systems equipment in the course of clearing trouble, and other maintenance of such equipment.
- 5.02 No additional inputs are used in this account.
- 5.03 CP01, Operator Systems Expense, equals the entire account.
- 5.04 The entire account is assigned to regulated.

ACCOUNT 6231 - RADIO SYSTEMS EXPENSE

- 6.01 Account 6231 contains the cost of routine inspection and maintenance of radio equipment and maintenance of radio equipment in the course of clearing trouble.

9.12.9

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